

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,	:	
<u>ex rel.</u> DAVID GOODSTEIN,	:	CIVIL ACTION NO. 07-1491
	:	
	:	
PLAINTIFFS,	:	
	:	
v.	:	
	:	
KAPLAN, INC., and	:	
THE WASHINGTON POST COMPANY,	:	
	:	
DEFENDANTS.	:	

UNITED STATES NOTICE OF INTERVENTION FOR PURPOSES OF SETTLEMENT

The United States of America, by and through its undersigned attorneys, provides this written notice to the Court that it is intervening in the above action, pursuant to 31 U.S.C. § 3730(b), for the purposes of settlement and dismissal. The United States intervenes only as to the following conduct, whether alleged in the Complaint or elsewhere:

1. Misrepresentations by CHI Institute in Broomall, Pennsylvania (“CHI”), in the context of the federal student financial aid programs, during the period from February 2002 through October 2008, about the availability of field training externships necessary for its students to graduate from the surgical technology (or “surg tech”) program at CHI;
2. CHI’s placement of surg tech students on leaves of absence during the period from February 2002 through January 2008 and CHI’s failure to properly implement the leave of absence provisions pursuant to Title IV of the Higher Education Act of 1965, as amended, generally during the 2005-2006 and 2006-2007 award years;
3. CHI’s misrepresentations, in the context of the federal student financial

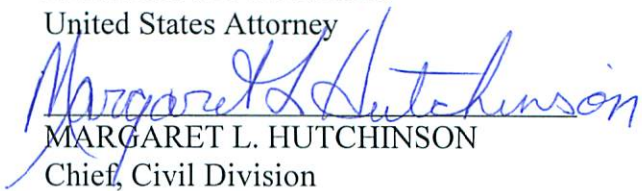
aid programs, during the period January 2005 through October 2008, about the number of clock hours of instruction contained within courses scheduled and/or delivered at CHI; and

4. CHI's disbursement (a) during the period from award year 2004-2005 (beginning July 1, 2004) through award year 2007-2008 (ending June 30, 2008), of federal student loan funds (i) to students who were less than half-time students and (ii) to students who had not completed sufficient credits to be eligible for the funds; (b) during the period from award year 2005-2006 (beginning July 1, 2005) through award year 2007-2008 (ending June 30, 2008), of federal Pell Grant funds to students in excess of the eligibility of those students for the funds; and (c) during April 2007, of federal student loan funds to a student prior to that student's being eligible for the funds.

The United States, relator, and defendants have reached an amicable resolution of these matters. A copy of the Settlement Agreement incorporating the terms of this resolution is attached hereto as Exhibit A. The parties agree that, upon receipt of the payment described in Paragraph 1 of the Settlement Amount, the Parties shall sign and file a pleading dismissing the Civil Action.

Respectfully submitted,

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United States Attorney


MARGARET L. HUTCHINSON
Chief, Civil Division
Assistant United States Attorney


MICHAEL S. BLUME
Assistant United States Attorney

Dated: 7/22/11

CERTIFICATE OF SERVICE

It is hereby certified that a copy of the foregoing Notice of Intervention was sent by First Class United States Mail, postage prepaid, this date, to the following:

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